

FEB 23 2010

FILED

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE,

PETITIONER,

VS.

CONSTITUTION LIFE INSURANCE
COMPANY,

RESPONDENT.

CONSENT ORDER

CAUSE NO. C-1814

In order to resolve this matter, the Nebraska Department of Insurance ("Department"), by and through its attorney, Martin W. Swanson and Constitution Life Insurance Company, ("Respondent"), mutually stipulate and agree as follows:

JURISDICTION

1. The Department has jurisdiction over the subject matter and Respondent pursuant to Neb. Rev. Stat. §§44-101.01, 44-135, 44-303 and §44-4047, et seq.

2. Respondent was licensed as a foreign insurance company under the laws of Nebraska at all times material hereto.

STIPULATIONS OF FACT

1. The Department initiated this administrative proceeding by filing a petition styled State of Nebraska Department of Insurance vs. Constitution Life Insurance Company, Cause Number C-1814 on February 9, 2010. A copy of the petition was served upon Respondent's agent for service registered with the Department by certified mail, return receipt requested.

2. Respondent violated Neb. Rev. Stat. §§ 44-1524 and 44-1525(12) (Reissues 2004) as a result of Respondent accepted applications for insurance from Maureen Regan ("Regan"), a

licensed insurance producer who did not hold an appointment with Respondent. In a November 6, 2009 letter from Marquette Life Insurance Company to the Department, Respondent admitted that Regan's appointment submission was rejected due to a non-valid Social Security Number, was subsequently rejected a second time, and was, according to Respondent, not corrected thus leaving Regan as a non-appointed producer with the Respondent's company. A subsequent letter from Pennsylvania Life Insurance Company, dated February 2, 2010, confirmed that Regan was also one of the writing agent/producers for Respondent. During the time frame in question, the following policy was issued on behalf of Respondent, which denoted Regan as one of the writing agents:

i. Policy #H90096188, transaction dates 8/4/2008 and 8/8/2008.

3. Respondent was informed of their right to a public hearing. Respondent waives that right, and enters into this Consent Order freely and voluntarily. Respondent understands and acknowledges that by waiving their right to a public hearing, Respondent also waives their right to confrontation of witnesses, production of evidence, and judicial review.

4. Respondent admits the allegations contained in the Petition that they violated Neb. Rev. Stat. §§ 44-1524 and 44-1525(12) (Reissue 2004).

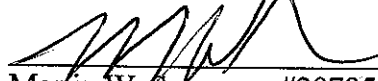
CONCLUSIONS OF LAW

It is the conclusion of the Director of Insurance that Respondent's conduct as alleged above constitutes multiple violations of Neb. Rev. Stat. §§44-1524 and 44-1525(12) (Reissue 2004).

CONSENT ORDER

It is therefore ordered by the Director of Insurance and agreed to by Respondent, Constitutional Life Insurance Company, that they shall pay an administrative fine of no less than \$1,000 due within thirty days after the Director of Insurance or her designee approves and signs this Consent Order. The Nebraska Department of Insurance shall retain jurisdiction of this matter for

the purpose of enabling the Respondent or the Department to make application for such further orders as may be necessary. In witness of their intention to be bound by this Consent Order, each party has executed this document by subscribing their signature below.


Martin W. Swanson, #20795
Attorney for Petitioner
941 O Street, Suite 400
Lincoln, NE 68508
(402) 471-2201

2/19/10
Date


Constitution Life Insurance Company,
Respondent

By: John T. Mackin

2-18-10
Date

State of Florida)
County of Sevinole) ss.

On this 18th day of February, 2010, John T. Mackin, a representative of Constitution Life Insurance Company, personally appeared before me and read this Consent Order, executed the same and acknowledged the same to be his voluntary act and deed.

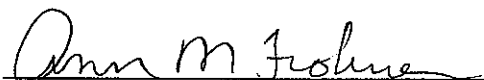

Notary Public

NOTARY PUBLIC-STATE OF FLORIDA
Darcy Heller
Commission #DD886841
Expires: MAY 05, 2013
BONDED THRU ATLANTIC BONDING CO., INC.

CERTIFICATE OF ADOPTION

I hereby certify that the foregoing Consent Order is adopted as the Final Order of the Nebraska Department of Insurance in the matter of State of Nebraska Department of Insurance vs. Constitution Life Insurance Company, Cause No. C-1814.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



Ann M. Frohman
Director of Insurance

2/23/2010
Date

CERTIFICATE OF SERVICE

I hereby certify that a copy of the executed Consent Order was served upon Respondent by mailing a copy to Respondent's agent for service, Steve L. Carlton, at 1001 Heathrow Park Lane, Suite 5001, Lake Mary, FL 32746, by certified mail, return receipt requested, on this 23rd day of February, 2010.

